

**NATURAL GAS SURCHARGE RETURN
FOR PUBLIC UTILITY GAS CORPORATIONS**

		YOUR ACCOUNT NO.

BOARD USE ONLY		
RR-B/A	AUD	REG
RR-QS	FILE	REF
EFF		

BOARD OF EQUALIZATION
EXCISE TAXES DIVISION
PO BOX 942879
SACRAMENTO CA 94279-6096

MAKE CHANGES
IF NAME OR
ADDRESS
IS INCORRECT

**READ INSTRUCTIONS
BEFORE PREPARING**

GENERAL INSTRUCTIONS - Complete Schedule A on reverse prior to completing the return

The California State Board of Equalization administers the Natural Gas Surcharge Law. The surcharge is imposed upon the consumption of natural gas in California on and after January 1, 2001. Each public utility natural gas provider and each consumer of natural gas from an interstate pipeline must remit to the Board the amount of surcharges applicable.

FILING REQUIREMENTS

This return must be filed even though you have no surcharge to report in the specific reporting period. The surcharge rate is applicable to all billings for periods starting on or after January 1, 2001. A duplicate of the return should be retained for your records and for verification by Board auditors. If you do not file a return on time, you will be subject to penalty and interest charges.

COMPUTATION OF SURCHARGE

1. Total therms sold or consumed	1.	
2. Total <i>exempt</i> therms sold or consumed	2.	
3. Therms subject to the surcharge (<i>subtract line 2 from line 1</i>) (<i>from Schedule A Columns A3</i>)	3.	
4. Total surcharge due (<i>from Schedule A Column D3</i>)	4.	\$.00
5. Billing Adjustments	5.	\$.00
6. Net surcharge due (<i>subtract line 5 from line 4</i>)	6.	\$.00
7. Penalty [<i>multiply line 6 by 10% (.10) if payment is made after due date shown above</i>]	PENALTY 7.	\$.00
8.	INTEREST 8.	\$.00
9. TOTAL AMOUNT DUE AND PAYABLE (<i>add lines 6, 7, and 8</i>)	9.	\$.00

I hereby certify that this return, including any accompanying schedules and statements, has been examined by me and to the best of my knowledge and belief is a true, correct and complete return.

PRINT/TYPE NAME AND TITLE	SIGNATURE	PHONE NUMBER ()	DATE
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MAKE CHECK OR MONEY ORDER PAYABLE TO STATE BOARD OF EQUALIZATION.

Always write your account number on your check or money order. Make a copy of this document for your records.

SCHEDULE A - COMPUTATION SCHEDULE FOR NATURAL GAS SURCHARGEREAD INSTRUCTIONS BEFORE
PREPARING THIS SCHEDULE

Reporting Period _____ Surcharge Permit Account No. _____

NATURAL GAS SURCHARGE SCHEDULE

PACIFIC GAS & ELECTRIC TERRITORY	A1 NET TAXABLE THERMS CARE*	A2 NET TAXABLE THERMS NON-CARE	B1 RATE BY CUSTOMER CLASS CARE*	B2 RATE BY CUSTOMER CLASS NON-CARE	C1 SURCHARGE DUE CARE* <i>Multiply Column A1 by B1</i>	C2 SURCHARGE DUE NON-CARE <i>Multiply Column A2 by B2</i>	D1 TOTAL SURCHARGE DUE <i>Add Columns C1 and C2</i>
CORE Residential			.01396	.02881			
CORE Small Commercial Industrial	*****		N/A	.02539	*****		
CORE Large Commercial Industrial	*****		N/A	.06430	*****		
NONCORE Industrial Distribution	*****		N/A	.01819	*****		
NONCORE Industrial Transmission	*****		N/A	.01700	*****		
SYSTEM WIDE	*****		.00915	.02327	*****		
TOTALS <i>(total each column)</i>			*****	*****			D2
SAN DIEGO GAS & ELECTRIC TERRITORY	A1 NET TAXABLE THERMS CARE*	A2 NET TAXABLE THERMS NON-CARE	B1 RATE BY CUSTOMER CLASS CARE*	B2 RATE BY CUSTOMER CLASS NON-CARE	C1 SURCHARGE DUE CARE* <i>Multiply Column A1 by B1</i>	C2 SURCHARGE DUE NON-CARE <i>Multiply Column A2 by B2</i>	D1 TOTAL SURCHARGE DUE <i>Add Columns C1 and C2</i>
CORE Residential			.04545	.05949			
CORE Commercial Industrial			.01612	.03015			
CORE Natural Gas Vehicles			.01573	.02976			
NONCORE Commercial/Industrial			.00592	.01996			
SYSTEM WIDE			.03202	.04606			
TOTALS <i>(total each column)</i>			*****	*****			D2
SOUTHERN CALIFORNIA GAS TERRITORY	A1 NET TAXABLE THERMS CARE*	A2 NET TAXABLE THERMS NON-CARE	B1 RATE BY CUSTOMER CLASS CARE*	B2 RATE BY CUSTOMER CLASS NON-CARE	C1 SURCHARGE DUE CARE* <i>Multiply Column A1 by B1</i>	C2 SURCHARGE DUE NON-CARE <i>Multiply Column A2 by B2</i>	D1 TOTAL SURCHARGE DUE <i>Add Columns C1 and C2</i>
CORE Residential			.01881	.02781			
CORE Commercial/Industrial			.01812	.02712			
Gas Air Conditioning			.00073	.00972			
CORE Gas Engine	*****		N/A	.01326	*****		
CORE Natural Gas Vehicle			N/A	.00900	*****		
NONCORE Commercial/Industrial	*****		N/A	.00908	*****		
SYSTEM WIDE			.00665	.01565			
TOTALS <i>(total each column)</i>			*****	*****			D2
DEFAULT RATE TERRITORY	A1 NET TAXABLE THERMS CARE*	A2 NET TAXABLE THERMS NON-CARE	B1 RATE BY CUSTOMER CLASS CARE*	B2 RATE BY CUSTOMER CLASS NON-CARE	C1 SURCHARGE DUE CARE* <i>Multiply Column A1 by B1</i>	C2 SURCHARGE DUE NON-CARE <i>Multiply Column A2 by B2</i>	D1 TOTAL SURCHARGE DUE <i>Add Columns C1 and C2</i>
All			.00916	.02090			D2
TERRITORY TOTALS	A3	A3	*****	*****	C3	C3	D3 <i>Add Columns D2</i>

*Low income customers who qualify for California Alternate Rate for Energy (CARE) receive a 15% discount on rate and pay all of the public purpose program costs except CARE.

INSTRUCTIONS - NATURAL GAS SURCHARGE RETURN FOR PUBLIC UTILITY GAS CORPORATIONS

Effective January 1, 2001, Assembly Bill 1002, the Natural Gas Surcharge Article 10, (commencing with section 890), Chapter 4, Part 1 of Division 1 of the Public Utilities Code imposes a surcharge on all natural gas consumed in this state for the funding of public purpose programs. The Board of Equalization is responsible for the collection of surcharges due from public utility natural gas providers and from consumers who purchase natural gas from interstate pipelines.

Each year, the Public Utilities Commission (PUC) will establish a surcharge rate for each class of customers for the service territory of each public utility. To determine the rates for each of the major natural gas utility territories, **refer to, and complete SCHEDULE A - COMPUTATION SCHEDULE FOR NATURAL GAS SURCHARGE prior to completing the return.**

Line 1. Enter the number of therms sold or consumed.

Line 2. Enter the total number of exempt therms sold or consumed.

Line 3. Therms subject to the surcharge. Subtract line 2 from line 1. This number should equal the total of "Territory Totals" Column A3 CARE (shaded) and Column A3-Non-CARE (non-shaded).

Line 4. Total surcharge due. Amount should equal Column D3 from Schedule A.

Line 5. Billing Adjustments. Enter adjustments to amount of surcharge previously reported. This includes adjustments for new write-offs and billing corrections. However, either or both of these adjustments may be made to the therms on line 3 if more consistent with the utility's computation methods.

Line 6. Net surcharge due. Subtract line 5 from line 4.

Line 7. Penalty. Add a 10% penalty if payment is made after the due date of the return.

Line 8. Interest of 9% per annum or .0075 per month is due if payment is made after the due date.

Line 9. Total amount due and payable. Add lines 6, 7, and 8. This is the total you must remit to the state.

**INSTRUCTIONS FOR COMPLETING SCHEDULE A - COMPUTATION SCHEDULE
FOR NATURAL GAS SURCHARGE**

Column(s) A1, A2. Enter the net taxable therms sold or consumed during the reporting quarter per customer class in the service territory of each of the major natural gas utilities; PG&E, SoCalGas, SDG&E, or, within the Default Territory*. Use Column A1 to report net taxable therms consumed under the California Alternate Rate for Energy (CARE) program rates (shaded columns). Use Column A2 to report net taxable therms consumed under the Non-CARE program rates (non-shaded columns).

Column(s) A3. Total the therms consumed or sold for each territory and enter the total under A3 (shaded) for total therms consumed under the CARE program or the Non-CARE program (non-shaded). These two figures should equal line 3, "Therms subject to the surcharge", of the Natural Gas Surcharge Return.

Column(s) C1, C2. Multiply Columns A1 by B1 and Columns A2 by B2 (use the corresponding rate for each customer class and for CARE or Non-CARE programs).

Column(s) C3. Add the surcharge due for each of the territories under the CARE (shaded column) or Non-CARE programs (non-shaded).

Column(s) D1. Calculate the total surcharge due by adding Columns C1 and C2.

Column(s) D2. Totals - Add the total surcharge due by each customer class. Obtain totals for each of the California natural gas utilities; PG&E, SoCalGas, SDG&E and the Default Territory by adding all items in Column D1.

Column(s) D3. Add the total surcharge due from each territory (add Columns D2). This is the total surcharge due. Transfer this total to line 4 of the Natural Gas Surcharge Return.

Sign and date the return, make your check payable to the Board of Equalization and mail your payment, by the due date, with the return in the enclosed envelope.

*This rate applies to Avista Utilities, Alpine Natural Gas Operating Company, Southwest Gas Corporation, and West Coast Gas Company service territories.